

## The Florida House of Representatives

Chris Sprowls Speaker

## **NEWS RELEASE**

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## Florida House of Representatives Passes Major Legislation to Combat Foreign Espionage

Bills protect higher education institutions, public entities, recipients of public grants and create a new trafficking in trade secrets crime

**TALLAHASSEE, Fla.** (April 14, 2021) — Today, the Florida House of Representatives unanimously passed sweeping legislation off the House floor to protect Florida against foreign academic and corporate espionage.

"The Florida House has done what other states have refused to do – put countries that steal taxpayer-funded technology and intellectual property on notice," said Speaker Chris Sprowls. "No longer will Florida stand by as these secrets, that take years to develop, walk out the back doors of our research institutions or universities, jump on a plane and land in Beijing or another foreign land. The Florida House is showing the nation how a state puts an end to foreign theft of academic and corporate assets."

House Bill 7017, sponsored by Representative Erin Grall, R-Vero Beach, Chair of the Public Integrity & Elections Committee, requires institutions of higher education to disclose foreign gifts above \$50,000, more fully screen foreign applicants for research positions and monitor and report on employment-based foreign travel. Furthermore, the legislation prohibits certain agreements with China, Cuba, Iran, North Korea, Russia, Syria and Venezuela that are detrimental to the security of the United States or allow for foreign control of decisions. The Senate companion legislation, CS/SB 2010 sponsored by Senator Manny Diaz Jr. is scheduled to be heard in the Senate Appropriations Committee on Thursday, April 15.

"This legislation continues our work from last year on the Select Committee. Higher institutions and public entities in Florida must disclose when they are accepting foreign gifts – especially from a foreign

adversary – for their protection and the protection of the taxpayer," said Chair Grall. "Countries want to steal our intellectual property, and this legislation will help us make sure that's not happening in Florida."

House Bill 1523, sponsored by Representative Mike Beltran, R-Valrico, will increase penalties for intellectual property theft that benefits a foreign nation or agent and creates a trafficking in trade secrets crime for any person who traffics or attempts to traffic in trade secrets they know or should have known was stolen. Its Senate companion, CS/SB 1378 sponsored by Senator Jennifer Bradley, R-Green Cove Springs, has passed each of its Senate committees unanimously is awaiting a floor vote.

"Countries are actively trying to steal and replicate American intellectual property through corporate espionage," said Representative Beltran. "I thank Speaker Sprowls, and my House colleagues for their support on this important issue that has impacted Florida's businesses and education and research institutions."

The issue of foreign espionage and intellectual theft has been covered heavily by the media:

- Michael McPherson, special agent in Charge of the FBI's Tampa Field Office, wrote in the <u>Tampa Bay Times</u> that "The Chinese government is waging a covert war against the United States as they have been steadfast in their attempts to steal our intellectual property and trade secrets." And that "Central Florida is home to countless companies which are potential victims of future theft schemes perpetrated by China."
- According to a January 2020 <u>South Florida Sun Sentinel</u> article, "In just the past two years, at least nine Chinese nationals were detained in Florida while engaging or possibly engaging in espionage-related activities. Five of those arrests happened in just the past few months."
- The US Department of Justice outlined additional recent cases in Florida:
  - February 3, 2021: Former University of Florida Researcher Indicted for Scheme to Defraud National Institutes of Health and University of Florida
  - September 16, 2020: Jacksonville Woman Pleads Guilty to Attempting to Illegally Exporting Maritime Raiding Craft and Engines to China

The House bills now go to the Florida Senate for consideration. For more information, visit <a href="https://www.myfloridahouse.gov">www.myfloridahouse.gov</a>.

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